



Oregon

Department of Consumer and Business Services

Insurance Division
350 Winter St. NE, Room 440
PO Box 14480
Salem, OR 97301-0405
(503) 947-7980
FAX (503) 378-4351
TTY (503) 947-7280
www.oregoninsurance.org

INSURANCE DIVISION BULLETIN INS 92-3

DATE: July 1, 1992

TO: All Insurers Authorized to Transact Life Insurance

RE: Marketing Practices for Paying Commissions

The Oregon Insurance Division has received several inquiries concerning the requirements for paying commissions. It is a well established position of this Division that manipulation of commissions per sale or blocks of sales is in violation of statutes ORS 746.015, 746.045, 744.039 and 742.005(3) as being discriminatory, rebating, not authorized by rule and prejudicial to the interest of the policyholder. This position includes any commission practice of no commission, fee-for-service, qualifying commissions, dial-a-commission, and any variations that allows the agent to adjust the commission level or where no commission is received on each sale.

This Division expects any variations in marketing and commission practices to be filed as part of the form approval process. Any deviated marketing practices that were not specifically approved with the forms filing may be grounds for disapproval and sanctions if in violation of this position.

_____(signed)_____
Mary Alice Bjork, Administrator
Insurance Division
Department of Insurance and Finance